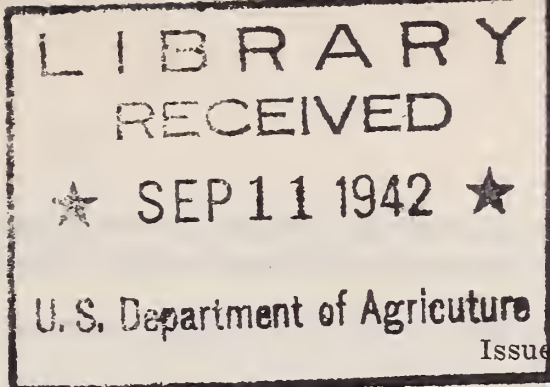


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S. R. A.—A. M. A. 163

United States Department of Agriculture  
AGRICULTURAL MARKETING ADMINISTRATION  
SERVICE AND REGULATORY ANNOUNCEMENTS NO. 163<sup>1</sup>

DEVELOPMENTS IN COTTON STANDARDIZATION AND  
RELATED SERVICES

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INTERNATIONAL UNIVERSAL COTTON STANDARDS CONFERENCES

POSTPONEMENT OF CONFERENCE PREVIOUSLY SCHEDULED FOR MARCH 1942

Under normal conditions a meeting under the universal cotton standards agreements<sup>2</sup> would have convened in Washington on the second Monday in March 1942. It was apparent, however, that the state of war existing in many parts of the world and the resulting interruption to normal cotton trade should serve as justification for not convening the next meeting in accordance with the terms of the agreements. Therefore, early in December 1941 cables were sent to the signatory associations with which it was permissible to communicate, to the effect that it seemed imperative to postpone the meeting until further notice.

As to the conferences of 1936 and 1939, the following is noted as a matter of permanent record:

THE CONFERENCE OF 1936

By mutual agreement the universal cotton standards conference which normally would have been held in March 1935 was postponed to March 1936. The meeting in 1936 was, of course, for the purpose of examining and approving key sets of copies of the original official cotton standards of the United States for the grade of American upland cotton as revised and promulgated August 20, 1935, effective August 20, 1936.<sup>3</sup>

<sup>1</sup> The work to which this announcement relates was formerly a part of the Agricultural Marketing Service. That Service was merged, Feb. 23, 1942, with the Surplus Marketing Administration, the Federal Surplus Commodities Corporation, and the Commodity Exchange Administration to form the Agricultural Marketing Administration.

<sup>2</sup> See pp. 11–13; see also pp. 17–20 S. R. A. (B. A. E.), No. 92.

<sup>3</sup> See S. R. A. (B. A. E.), No. 150.



The names of those in attendance and copies of the certificates signed at the conclusion of the work on the key sets of the standards are given below:

#### EUROPEAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1936

Centro Algodonero de Barcelona, Barcelona, Spain: Pedro Marqués, José Valls-Jordana.

Bremer Baumwollbörse, Bremen, Germany: George A. Fürst, Heinrich Westerschulte.

Marché de Coton à Gand, Ghent, Belgium: George Joski, Robert P. Pflieger.

Syndicat du Commerce des Cotons au Havre, Havre, France: J. Westphalen-Lamaitre, L. Chausserie-Laprée.

Liverpool Cotton Association, Ltd., Liverpool, England: J. Harold Coney, James B. Gartside, A. C. Nickson.

Manchester Cotton Association, Ltd., Manchester, England: Arthur Morris, H. Robinson.

Federation of Master Cotton Spinners' Associations, Ltd., Manchester, England: W. M. Wiggins, H. S. Butterworth.

Associazione Italiana Fascista degli Industriali Cotonieri, Milan, Italy: Marsilio Volpi, Luigi Bestetti.

Vereeniging voor den Katoenhandel te Rotterdam, Rotterdam, Holland: C. Stahl, Jr.

#### AMERICAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1936

American Cotton Shippers Association, Memphis, Tenn.: R. C. Dickerson, Robert Mayer, Marc Anthony.

American Cotton Manufacturers Association, Charlotte, N. C.: W. M. McLaurine, Henry Roediger, E. R. Betts, Sidney Bluhm.

Alabama Cotton Manufacturers' Association, Anniston, Ala.: H. H. Greene.

Cotton Manufacturers' Association of North Carolina, Charlotte, N. C.: A. W. Fisher.

Cotton Manufacturers' Association of Georgia, Atlanta, Ga.: A. T. Jenkins, B. J. Kane.

American Cotton Cooperative Association, New Orleans, La.: J. R. Frye, A. B. Emmert.

Arkansas Cotton Trade Association, Little Rock, Ark.: W. A. Thompson.

Atlantic Cotton Association, Atlanta, Ga.: R. B. Walker.

Board of Trade of the City of Chicago, Chicago, Ill.: W. R. Meadows.

Cotton Textile Institute, New York, N. Y.: A. J. Kelly.

National Association of Cotton Manufacturers, Boston, Mass.: W. E. Acton, D. A. Mahoney, B. P. Whitney, Russell T. Fisher.

New England Cotton Buyers Association, Boston, Mass.: Henry G. Brooks.

New Orleans Cotton Exchange, New Orleans, La.: C. C. Hightower.

New York Cotton Exchange, New York, N. Y.: Perry E. Moore.

North Carolina Cotton Growers Association, Raleigh, N. C.: D. D. Williams.

Oklahoma State Cotton Exchange, Oklahoma City, Okla.: A. S. Taylor (also representing Texas Cotton Association).

The Rubber Manufacturers Association, New York, N. Y.: R. H. Goebel, S. A. Steere, Charles Thompson, D. J. Brightman, Frank W. Davis.

Southern Cotton Shippers Association, Memphis, Tenn.: W. J. Britton.

Texas Cotton Association, Waco, Tex.: A. S. Taylor (also representing Oklahoma State Cotton Exchange).

#### OTHERS IN ATTENDANCE

Eijiro Fujise of the Southern Cotton Co., New York, N. Y., representing the Japan Cotton Spinners' Association and the Japan Cotton Merchants' Union.

Norman Pearse, Secretary, International Federation of Master Cotton Spinners' Associations, Manchester, England.

Miguel Echegaray, Agricultural Attaché, Spanish Embassy.

H. T. Yang, Director, Cotton Improvement Committee, Hupeh Province, Hankow, China.

Jose Maria Fernandes, Chief, Cotton Ginning Service, Department of Agriculture of Brazil.

Robert Skliar, Bureau of Foreign and Domestic Commerce, United States Department of Commerce, Washington, D. C.



D. E. Timmons, College of Agriculture, University of Florida, Gainesville, Fla.  
J. B. Cotner, North Carolina State College of Agriculture and Engineering,  
Raleigh, N. C.

CERTIFICATES SIGNED AT CONCLUSION OF WORK ON COPIES OF THE STANDARDS,  
MARCH 13, 1936

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on March 9, 1936, pursuant to Supplementary Agreement A relating to the Universal Standards for American cotton, certify that we have examined and hereby approve as true copies of the original Universal Standards for American cotton as and when they were established (promulgated August 20, 1935, effective August 20, 1936) Full Sets of White Cotton Nos. 1 to 75, both inclusive, and additional boxes as follows: 19 SGM, 53 GM, 70 SM, 71 M, 60 SLM, 25 LM, 18 SGO, and 15 GO. This 13th day of March 1936.

Liverpool Cotton Association, Ltd.:

J. HAROLD CONEY.

JAMES B. GARTSIDE.

Manchester Cotton Association, Ltd.:

ARTHUR MORRIS.

H. ROBINSON.

Syndicat du Commerce des Cotons au Havre:

J. WESTPHALEN-LEMAITRE.

L. CHAUSERIE-LAPRÉE.

Bremer Baumwollbörse:

HEINRICH WESTERSCHULTE.

GEORGE A. FÜRST.

Associazione Italiana Fascista degli Industriali Cotonieri:

MARSILIO VOLPI.

LUIGI BESTETTI.

Marché de Coton à Gand:

GEORGE JOSKI.

R. PFLIEGER.

Centro Algodonero de Barcelona:

PEDRO MARQUÉS.

JOSÉ VALLS-JORDANA.

Vereeniging voor den Katoenhandel te Rotterdam:

C. STAHL, JR.

Federation of Master Cotton Spinners' Associations, Ltd., of England:

W. M. WIGGINS.

H. S. BUTTERWORTH.

AMERICAN DELEGATES

SYDNEY BLUHM, American Cotton Manufacturers Association.

HENRY ROEDIGER, American Cotton Manufacturers Association.

CHAS. THOMPSON, Rubber Manufacturers Association.

B. J. KANE, Cotton Manufacturers Association of Georgia.

A. T. JENKINS, Cotton Manufacturers Association of Georgia.

J. R. FRYE, American Cotton Cooperative Association.

P. E. MOORE, New York Cotton Exchange.

A. J. KELLY, Textile Institute.

D. A. MAHONEY, National Association of Cotton Manufacturers.

C. C. HIGHTOWER, New Orleans Cotton Exchange.

W. E. ACTON, Cotton Textile Institute.

A. B. EMMERT, American Cotton Cooperative Association.

FRANK W. DAVIS, Rubber Manufacturers Association.

A. STARKE TAYLOR, Texas Cotton Association and Oklahoma Cotton Exchange.

A. W. FISHER, North Carolina Manufacturers Association.

H. H. GREENE, Alabama Manufacturers Association.

W. J. BRITTON, Southern Cotton Shippers Association.

R. B. WALKER, Atlantic Cotton Association.

B. P. WHITNEY, National Association of Cotton Manufacturers.

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on March 9, 1936, pursuant to Supplementary Agreement A relating to the Universal Standards for American cotton, certify that we have examined and hereby approve as true copies of the original Universal Standards for American cotton as and when they were established (promulgated August 20, 1935, effective August 20, 1936) Full Sets of Tinged Cotton Nos. 1 to 75, both inclusive, and additional boxes as follows: 5 GMT, 7 SMT, 7 MT, 5 SLMT, and 5 LMT. This 13th day of March 1936.

Liverpool Cotton Association, Ltd.:

J. HAROLD CONEY.

JAMES B. GARTSIDE.

Manchester Cotton Association, Ltd.:

ARTHUR MORRIS.

H. ROBINSON.



Syndicat du Commerce des Cotons au Havre:

J. WESTPHALEN-LAMAITRE.

L. CHAUSERIE-LAPRÉE.

Bremer Baumwollbörse:

GEORGE A. FÜRST.

HEINRICH WESTERSCHULTE.

Associazione Italiana Fascista degli Industriali Cotonieri:

MARSILIO VOLPI.

LUIGI BESTETTI.

Marché de Coton à Gand:

GEORGE JOSKI.

R. PFLIEGER.

Centro Algodonero de Barcelona:

PEDRO MARQUÉS.

JOSÉ VALLS-JORDANA.

Vereeniging voor den Katoenhandel te Rotterdam:

C. STAHL, JR.

Federation of Master Cotton Spinners' Associations, Ltd., of England:

W. M. WIGGINS.

H. S. BUTTERWORTH.

#### AMERICAN DELEGATES

SYDNEY BLUHM, American Cotton Manufacturers Association.

HENRY ROEDIGER, American Cotton Manufacturers Association.

B. J. KANE, Cotton Manufacturers Association of Georgia.

CHAS. THOMPSON, Rubber Manufacturers Association.

P. E. MOORE, New York Cotton Exchange.

W. E. ACTON, Cotton Textile Institute.

A. T. JENKINS, Cotton Manufacturers Association of Georgia.

A. J. KELLY, Textile Institute.

J. R. FRYE, American Cotton Cooperative Association.

D. A. MAHONEY, National Association of Cotton Manufacturers.

FRANK W. DAVIS, Rubber Manufacturers Association.

C. C. HIGHTOWER, New Orleans Cotton Exchange.

A. B. EMMERT, American Cotton Cooperative Association.

A. STARKE TAYLOR, Texas Cotton Association and Oklahoma Cotton Exchange.

A. W. FISHER, North Carolina Manufacturers Association.

H. H. GREENE, Alabama Manufacturers Association.

W. J. BRITTON, Southern Cotton Shippers Association.

R. B. WALKER, Atlantic Cotton Association.

B. P. WHITNEY, National Association of Cotton Manufacturers.

We, being members of the Special Committee appointed to safeguard the handling, storage, and transportation of the key sets of standards prepared in the Universal Standards Conference which convened in the city of Washington on March 9, 1936, pursuant to Supplemental Agreement A relating to the Universal Standards for American cotton, certify that the following numbered sets were allotted as shown herein, at a drawing held in accordance with said Supplemental Agreement A, in Room 406 of the building at 300 Linworth Place Southwest, at 10:15 o'clock on March 13, 1936.

1. Second set drawn by Milan.
2. Third set drawn by Bremen.
3. United States Department of Agriculture.
4. United States Department of Agriculture.
5. United States Department of Agriculture.
6. United States Department of Agriculture.
7. New England Arbitration Committee.
8. Special working set.
9. First set drawn by Manchester Cotton Association.
10. Third set drawn by Barcelona.
11. Third set drawn by Havre.
12. United States Department of Agriculture.
13. United States Department of Agriculture.
14. United States Department of Agriculture.
15. United States Department of Agriculture.

16. United States Department of Agriculture.
17. Fourth set drawn by Bremen.
18. Fourth set drawn by Barcelona.
19. First set drawn by Havre.
20. First set drawn by Milan.
21. Third set drawn by Rotterdam.
22. United States Department of Agriculture.
23. United States Department of Agriculture.
24. United States Department of Agriculture.
25. United States Department of Agriculture.
26. United States Department of Agriculture.
27. Second reserve set of 1936.
28. First set drawn by Barcelona.
29. First set drawn by Rotterdam.
30. Second set drawn by Ghent.
31. Cotton States Arbitration Board.
32. United States Department of Agriculture.



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|--|---|
| 33. United States Department of Agriculture.           | 53. United States Department of Agriculture.          |
| 34. United States Department of Agriculture.           | 54. Third set drawn by Manchester Cotton Association. |
| 35. United States Department of Agriculture.           | 55. Fourth set drawn by Havre.                        |
| 36. United States Department of Agriculture.           | 56. Fifth set drawn by Barcelona.                     |
| 37. Sixth set drawn by Barcelona.                      | 57. Fourth set drawn by Liverpool.                    |
| 38. First reserve set of 1936.                         | 58. Federation of Master Spinners.                    |
| 39. Second set drawn by Bremen.                        | 59. United States Department of Agriculture.          |
| 40. Second set drawn by Liverpool.                     | 60. United States Department of Agriculture.          |
| 41. United States Department of Agriculture.           | 61. United States Department of Agriculture.          |
| 42. United States Department of Agriculture.           | 62. United States Department of Agriculture.          |
| 43. United States Department of Agriculture.           | 63. United States Department of Agriculture.          |
| 44. United States Department of Agriculture.           | 64. United States Department of Agriculture.          |
| 45. Fourth set drawn by Milan.                         | 65. Fifth set drawn by Liverpool.                     |
| 46. Fourth set drawn by Manchester Cotton Association. | 66. Third set drawn by Liverpool.                     |
| 47. First set drawn by Liverpool.                      | 67. Japan Cotton Spinners Association.                |
| 48. Second set drawn by Manchester Cotton Association. | 68. Fourth set drawn by Rotterdam.                    |
| 49. United States Department of Agriculture.           | 69. First set drawn by Bremen.                        |
| 50. Second set drawn by Rotterdam.                     | 70. First set drawn by Ghent.                         |
| 51. United States Department of Agriculture.           | 71. Second set drawn by Barcelona.                    |
| 52. United States Department of Agriculture.           | 72. Second set drawn by Havre.                        |
|  | 73. United States Department of Agriculture.          |
|  | 74. Japan Cotton Merchants Union.                     |
|  | 75. Third set drawn by Milan.                         |

(Additional approved boxes, as follows, are to be disposed of by Department as required: 19 SGM, 53 GM, 70 SM, 71 M, 60 SLM, 25 LM, 18 SGO, 15 GO, 5 GMT, 7 SMT, 7 MT, 5 SLMT, and 5 LMT.)

(Signed) MARSHIO VOLPI,  
GEORGE JOSKI,  
H. ROBINSON,  
LUIGI BESTETTI,  
H. C. SLADE.

#### FUTURE CONFERENCES SCHEDULED AT 3-YEAR INTERVALS

At the conference of 1936 attention was called to the fact that the Department had received advices that the nine signatory associations in Europe were agreed as to the desirability of holding future conferences at 3-year intervals. At the same time it was indicated that the Department was prepared to agree to the proposal and that an appropriate communication on the subject would later be addressed to each association. On April 10, 1936, the Secretary of Agriculture addressed a letter to each signatory association confirming the understanding "that while the Agreements remain in effect, conferences under the Supplemental Agreement will be held hereafter at 3-year intervals (unless otherwise agreed at a future time); that at such conferences there will be furnished an additional key set of standards gratis to each association with a Board of Cotton Examiners which will need such additional set in connection with its work under the Universal Standards Agreements; and that Supplemental Agreement A is, by mutual consent, modified accordingly."

#### THE CONFERENCE OF 1939

The conference of 1939 convened in Washington on March 13 of that year to examine and approve fresh key sets of the universal standards to represent the original standards as and when established on August 20, 1935, effective August 20, 1936, such key sets to be used by the Department and by the signatory associations. Lists of those in attendance and copies of the cer-



tificates relating to the approval and distribution of the key sets are given below:

EUROPEAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1939

Centro Algodonero Nacional, Barcelona, Spain:<sup>4</sup>

Bremer Baumwollbörse, Bremen, Germany: George A. Fürst, H. Westerschulte.

Marché de Coton à Gand, Ghent, Belgium: Willy Brementhal; Robert P. Pflieger; Harold Veesaert, Alternate.

Syndicat du Commerce des Cotons au Havre, Havre, France: A. de Grandmaison, L. Chausserie-Laprée.

Liverpool Cotton Association, Ltd., Liverpool, England: James B. Gartside, A. Chaine-Nickson.

Manchester Cotton Association, Ltd., Manchester, England: Harold Neild, H. Robinson.

Federation of Master Cotton Spinners' Associations, Ltd., Manchester, England: John Walsh, H. S. Butterworth.

Federazione Nazionale Fascista degli Industriali Cotonieri, Milan, Italy: Mario A. Battistel; Dario Garbagnati; Luigi Bestetti, Alternate.

Vereeniging voor den Katoenhandel te Rotterdam, Rotterdam, Holland: R. Ed. Schwalm, G. P. J. Offermans.

Japan Cotton Merchants' Union, Osaka, Japan: Hideo Yamonouchi.

Japan Cotton Spinners' Association, Osaka, Japan: Ryoso Sasaki.

Osaka Sampin Exchange, Osaka, Japan: Tomoyoshi Ozawa.

(These three Japanese organizations became parties to the Universal Cotton Standards Agreements in January 1939. See page 10.)

AMERICAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1939

American Cotton Shippers Association, Memphis, Tenn.: Harmon Whittington, R. C. Dickerson, Marc Anthony, Peter O'Donnell.

American Cotton Manufacturers Association, Charlotte, N. C.: Henry Roediger.

Alabama Cotton Manufacturers Association, Anniston, Ala.: H. H. Greene.

Cotton Manufacturers' Association of Georgia, Atlanta, Ga.: Ted Lewis, B. J. Kane.

Cotton Manufacturers' Association of North Carolina, Charlotte, N. C.: A. W. Fisher, Sydney Bluhm, E. R. Betts.

Cotton Manufacturers' Association of South Carolina, Greenville, S. C.: W. A. Floyd.

American Cotton Cooperative Association, New Orleans, La.: J. Raymond Frye, A. B. Emmert.

Arkansas Cotton Trade Association, Little Rock, Ark.: J. B. Hilzheim.

Atlantic Cotton Association, Atlanta, Ga.: R. B. Walker, W. D. Lawson.

California-Arizona Cotton Association, Los Angeles, Calif.: Z. T. Addington.

Chicago Board of Trade, Chicago, Ill.: Wm. R. Meadows.

Cotton Textile Institute, New York, N. Y.: A. J. Kelly.

Houston Cotton Exchange, Houston, Tex.: R. A. Moseley.

Memphis Cotton Exchange, Memphis, Tenn.: Fred W. Lucas.

National Association of Cotton Manufacturers, Boston, Mass.: Russell T. Fisher, W. E. Acton.

New England Cotton Buyers Association, Boston, Mass.: Henry G. Brooks, F. Scott Armstrong.

New Orleans Cotton Exchange, New Orleans, La.: E. O. Jewell.

New York Cotton Exchange, New York, N. Y.: Perry E. Moore.

North Carolina Cotton Growers Association, Raleigh, N. C.: D. D. Williams.

Oklahoma State Cotton Exchange, Oklahoma City, Okla.: W. M. Hynds.

Rubber Manufacturers Association, New York, N. Y.: Charles G. Thompson, F. W. Davis, D. J. Brightman, L. D. Baggett, S. A. Steere, R. N. Goebel.

Southern Combed Yarn Spinners Association, Gastonia, N. C.: Ralph Robinson, C. W. Gunter.

Southern Cotton Shippers Association, Memphis, Tenn.: E. D. Hazelhurst, W. J. Britton.

Southwestern Irrigated Cotton Growers Association, El Paso, Tex.: Herbert L. Davies.

<sup>4</sup> James B. Gartside, represented both the Liverpool Cotton Association, Ltd., and the Centro Algodonero Nacional



Staple Cotton Cooperative Association, Greenwood, Miss.: C. G. Carothers.  
 Texas Cotton Association, Waco, Tex.: A. Starke Taylor (also representing Dallas Cotton Exchange).

## OTHERS IN ATTENDANCE

Ben H. Davis, representing the Solicitor of the United States Department of Agriculture.

H. J. Zimmerman, Chief Statistician for Cotton, Bureau of the Census.

Robert Skliar, Cotton Specialist of the Textile Division, Bureau of Foreign and Domestic Commerce.

CERTIFICATES SIGNED AT CONCLUSION OF WORK ON COPIES OF THE STANDARDS,  
 MARCH 17, 1939

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on March 13, 1939, pursuant to Supplementary Agreement A relating to the Universal Standards for American cotton, certify that we have examined and hereby approve as true copies of the original Universal Standards for American cotton as and when they were established (promulgated August 20, 1935, effective August 20, 1936) Full Sets of White Cotton Nos. 1 to 80, both inclusive, and additional boxes as follows: 8 SGM, 35 GM, 53 SM, 55 M, 41 SLM, 13 LM, 6 SGO, and 4 GO. This 17th day of March 1939.

Bremer Baumwollbörse:

G. A. FÜRST.

H. WESTERSCHULTE.

Federation of Master Cotton Spinners' Associations, Ltd., of England:

H. S. BUTTERWORTH.

J. WALSH.

Federazione Nazionale Fascista degli Industriali Cotonieri:

MARIO A. BATTISTEL.

DARIO GARBAGNATI.

Liverpool Cotton Association, Ltd.:

JAMES B. GARTSIDE.

A. CHAINE-NICKSON.

Manchester Cotton Association, Ltd.:

H. NEILD.

H. ROBINSON.

Marché de Coton à Gand:

ROBERT P. PFLEIGER.

W. BREMENTHAL.

Syndicat du Commerce des Cotons au Havre:

L. CHAUSSEURIE-LAPRÉE.

A. DE GRANDMAISON.

Vereeniging voor den Katoenhandel te Rotterdam:

R. ED. SCHWALM.

Japan Cotton Merchants' Union:

H. YAMANOUCHI.

Japan Cotton Spinners' Association:

R. SASAKI.

Osaka Sampin Exchange:

T. OZAWA.

CHAS. THOMPSON, Rubber Manufacturers Association.

FRANK W. DAVIS, Rubber Manufacturers Association.

HERBERT L. DAVIES, Southwestern Irrigated Cotton Growers Association.

B. J. KANE, Cotton Manufacturers Association of Georgia.

TED LEWIS, Cotton Manufacturers Association of Georgia.

A. J. KELLY, Cotton Textile Institute.

F. S. ARMSTRONG, New England Cotton Buyers Association.

CHAS. G. CAROTHERS, Staple Cotton Cooperative Association.

H. H. GREENE, Alabama Cotton Manufacturers Association.

W. E. ACTON, National Association of Cotton Manufacturers.

W. M. HYND, Oklahoma State Cotton Exchange.

RALPH S. ROBINSON, Southern Combed Yarn Spinners Association.

E. O. JEWELL, New Orleans Cotton Exchange.

A. W. FISHER, North Carolina Cotton Manufacturers Association.

P. E. MOORE, New York Cotton Exchange.

A. B. EMMERT, American Cotton Cooperative Association.

SYDNEY BLUHM, North Carolina Cotton Manufacturers Association, per E. R. Betts.

R. A. MOSELEY, Houston Cotton Exchange.

HENRY ROEDIGER, American Cotton Manufacturers Association.

ROBERT B. WALKER, Atlantic Cotton Association.

A. STARKE TAYLOR, Texas Cotton Association and Dallas Cotton Exchange.

## AMERICAN DELEGATES

WM. R. MEADOWS, Chicago Board of Trade.

J. B. HILZHEIM, Arkansas Cotton Trade Association and Little Rock Cotton Exchange.

J. RAYMOND FRYE, American Cotton Cooperative Association.



D. D. WILLIAMS, North Carolina Cotton Growers Cooperative Association.  
 Z. T. ADDINGTON, California-Arizona Cotton Association.  
 PETER O'DONNELL, American Cotton Shippers Association, by R. C. D.

W. D. LAWSON, Atlantic Cotton Association.  
 F. W. LUCAS, Memphis Cotton Exchange.

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on March 13, 1939, pursuant to Supplementary Agreement A relating to the Universal Standards for American cotton, certify that we have examined and hereby approve as true copies of the original Universal Standards for American cotton as and when they were established (promulgated August 20, 1935, effective August 20, 1936) Full Sets of Tinged Cotton Nos. 1 to 80, both inclusive, and additional boxes as follows: 2 GMT, 2 SMT, 2 MT, 1 SLMT, and 1 LMT. This 17th day of March 1939.

Bremer Baumwollbörse:

G. A. FÜRST.

H. WESTERSCHULTE.

Federation of Master Cotton Spinners' Associations, Ltd., of England:

H. S. BUTTERWORTH.

J. WALSH.

Federazione Nazionale Fascista degli Industriali Cotonieri:

MARIO A. BATTISTEL.

DARIO GARBAGNATI.

Liverpool Cotton Association, Ltd.:

JAMES B. GARTSIDE.

A. CHAINE-NICKSON.

Manchester Cotton Association, Ltd.:

H. NEILD.

H. ROBINSON.

Marché de Coton à Gand:

ROBERT P. PFLEIGER.

W. BREMENTHAL.

Syndicat du Commerce des Cotons au Havre:

L. CHAUSSERIE-LAPRÉE.

Vereeniging voor den Katoenhandel te Rotterdam:

R. ED. SCHWALM.

Japan Cotton Merchants' Union:

H. YAMANOUCHI.

Japan Cotton Spinners' Association:

R. SASAKI.

Osaka Sampin Exchange:

T. OZAWA.

#### AMERICAN DELEGATES

WM. R. MEADOWS, Chicago Board of Trade.

J. B. HILZHEIM, Arkansas Cotton Trade Association and Little Rock Cotton Exchange.

J. RAYMOND FRYE, American Cotton Cooperative Association.

CHARLES THOMPSON, Rubber Manufacturers Association.

FRANK W. DAVIS, Rubber Manufacturers Association.

TED LEWIS, Georgia Manufacturers Association.

B. J. KANE, Cotton Manufacturers Association of Georgia.

H. H. GREENE, Alabama Cotton Manufacturers Association.

HERBERT L. DAVIES, Southwestern Irrigated Cotton Growers Association.

A. J. KELLY, Cotton Textile Institute.

F. S. ARMSTRONG, New England Cotton Buyers Association.

CHARLES G. CAROTHERS, Staple Cotton Cooperative Association.

W. E. ACTON, National Association of Cotton Manufacturers.

W. M. HYNDS, Oklahoma State Cotton Exchange.

RALPH S. ROBINSON, Southern Combed Yarn Spinners Association.

E. O. JEWELL, New Orleans Cotton Exchange.

A. W. FISHER, North Carolina Cotton Manufacturers Association.

P. E. MOORE, New York Cotton Exchange.

R. A. MOSELEY, Houston Cotton Exchange.

SYDNEY BLUHM, North Carolina Cotton Manufacturers Association, per E. R. Betts.

HENRY ROEDIGER, American Cotton Manufacturers Association.

ROBERT B. WALKER, Atlantic Cotton Association.

D. D. WILLIAMS, North Carolina Cotton Growers Cooperative Association.

A. STARKE TAYLOR, Texas Cotton Association and Dallas Cotton Exchange.

Z. T. ADDINGTON, California-Arizona Cotton Association.

PETER O'DONNELL, American Cotton Shippers Association, by R. C. D.

E. D. HAZELHURST, Southern Cotton Shippers Association.

F. W. LUCAS, Memphis Cotton Exchange.

W. D. LAWSON, Atlantic Cotton Association.

We, being members of the Special Committee appointed to safeguard the handling, storage, and transportation of the key sets of standards prepared in the Universal Standards Conference which convened in the City of Washington on



March 13, 1939, pursuant to Supplemental Agreement A relating to the Universal Standards for American cotton, certify that the following numbered sets were allotted as shown herein, at a drawing held in accordance with said Supplemental Agreement A, in Room 609 of the Agricultural Annex at 12th and C Streets, Southwest, at 2:30 o'clock P. M. on March 16, and 10:15 o'clock A. M. on March 17, 1939.

1. Third set drawn by Havre.
2. United States Department of Agriculture.
3. United States Department of Agriculture.
4. United States Department of Agriculture.
5. United States Department of Agriculture.
6. United States Department of Agriculture.
7. United States Department of Agriculture.
8. United States Department of Agriculture.
9. United States Department of Agriculture.
10. Fourth set drawn by Rotterdam.
11. Third set drawn by Rotterdam.
12. First set by Japan Cotton Merchants' Union.
13. Fourth set drawn by Ghent.
14. Third set drawn by Ghent.
15. United States Department of Agriculture.
16. United States Department of Agriculture.
17. First set drawn by Havre.
18. United States Department of Agriculture.
19. United States Department of Agriculture.
20. United States Department of Agriculture.
21. United States Department of Agriculture.
22. First set drawn by Rotterdam.
23. First set by Japan Cotton Spinners' Association.
24. Third set drawn by Milan.
25. Second set drawn by Milan.
26. United States Department of Agriculture.
27. First set drawn by Milan.
28. United States Department of Agriculture.
29. United States Department of Agriculture.
30. United States Department of Agriculture.
31. Fourth set drawn by Milan.
32. Second set drawn by Havre.
33. Third set drawn by Bremen.
34. Fourth set drawn by Bremen.
35. United States Department of Agriculture.
36. United States Department of Agriculture.
37. United States Department of Agriculture.
38. Special working set.
39. Second reserve set of 1939.
40. Second set drawn for Barcelona.
41. United States Department of Agriculture.
42. Second set drawn by Osaka Sampin Exchange.
43. Second set drawn by Manchester Cotton Association.
44. First set drawn by Liverpool.
45. Second set drawn by Liverpool.
46. United States Department of Agriculture.
47. First set drawn for Barcelona.
48. Fourth set drawn by Liverpool.
49. First set drawn by Manchester Cotton Association.
50. Third set drawn by Liverpool.
51. United States Department of Agriculture.
52. United States Department of Agriculture.
53. United States Department of Agriculture.
54. United States Department of Agriculture.
55. United States Department of Agriculture.
56. First set drawn by Osaka Sampin Exchange.
57. United States Department of Agriculture.
58. Fourth set drawn by Manchester Cotton Association.
59. United States Department of Agriculture.
60. Federation of Master Cotton Spinners' Associations.
61. United States Department of Agriculture.
62. Second set drawn by Ghent.
63. Fourth set drawn by Havre.
64. Second set drawn by Rotterdam.
65. Second set by Japan Cotton Merchants' Union.
66. United States Department of Agriculture.
67. United States Department of Agriculture.
68. United States Department of Agriculture.
69. United States Department of Agriculture.
70. United States Department of Agriculture.
71. United States Department of Agriculture.



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| 72. First set drawn by Ghent.<br>73. First set drawn by Bremen.<br>74. Second set drawn by Bremen.<br>75. United States Department of Agriculture.<br>76. First reserve set of 1939.<br>77. United States Department of Agriculture. | 78. Second set by Japan Cotton Spinners' Association.<br>79. Third set drawn by Manchester Cotton Association.<br>80. United States Department of Agriculture. |
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(Additional approved boxes, as follows, are to be disposed of by Department as required: 8 SGM, 35 GM, 53 SM, 55 M, 41 SLM, 13 LM, 6 SGO, 4 GO, 2 GMT, 2 SMT, 2 MT, 1 SLMT, and 1 LMT.)

(Signed) DARIO GARBAGNATI,  
 D. D. WILLIAMS,  
 R. A. MOSELEY,  
 E. R. BETTS,  
 H. YAMANOUCHI,  
 R. ED. SCHWALM,  
 H. C. SLADE.

#### GENERAL DISCUSSIONS

In a general meeting during the conference of 1939 a representative of the Department brought up for discussion a request of the Gdynia Cotton Association of Gdynia, Poland, that it be admitted as a party to the universal cotton standards agreements. The representatives of the various signatory associations expressed themselves as being glad to welcome the Gdynia Cotton Association to participation. Thereupon it was indicated that at some time in the future the Department would address a communication to the Association at Gdynia relative to the conditions under which it might become a party to the agreements and that the present signatory organizations would be advised. Further negotiations with the Gdynia Cotton Association were, of course, prevented by the European war and the invasion of Poland.

At the final general meeting of the conference the chairman expressed the opinion that consideration should be given to some arrangement by which the usual meetings under Supplemental Agreement A might be dispensed with and in lieu thereof separate meetings held at 3-year intervals with representatives of the American and Japanese organizations in Washington and with representatives of the European associations at one of the European markets. Thus a limited number of key sets might be prepared by specialists of the Department and approved first by representatives of the American industry and of the Japanese associations, and thereafter taken by officials of the Department to the European market agreed upon for examination by delegates of the European associations. Various delegates expressed themselves as in general agreement with this proposal and it was agreed that the Department would give the matter further consideration and that at some future time it might be taken up officially with the signatory associations.

During the course of the meeting Secretary Wallace met with those in attendance and discussed with them at some length American cotton problems and the world cotton situation.

#### JAPANESE PARTICIPATION IN MEETINGS UNDER THE UNIVERSAL COTTON STANDARDS AGREEMENTS

In view of the importance of Japan as a market for American cotton, Japanese cotton trade organizations had on various occasions asked to be admitted as parties to the universal cotton standards agreements, and after negotiations extending over a period of years they were included early in 1939. The Principal Agreement and Supplemental Agreement A will be found in Service and Regulatory Announcements (B.A.E.) No. 92, pages 17-20. Supplemental Agreement B which provides for Japanese participation is quoted below. This agreement was signed by the European and Japanese associations on various dates, and thereafter by the Secretary of Agriculture on January 31, 1939.



SUPPLEMENTAL AGREEMENT B RELATING TO UNIVERSAL STANDARDS FOR  
AMERICAN COTTON

[Japanese Participation] <sup>5</sup>

This Agreement made and entered into by and between the United States Department of Agriculture, hereinafter known as the Department, and the Liverpool Cotton Association, Ltd., Manchester Cotton Association, Ltd., Syndicat du Commerce des Cotons au Havre, Bremer Baumwollbörse, Vereeniging voor den Katoenhandel te Rotterdam, Federation of Master Cotton Spinners' Associations, Ltd., Centro Algodonero Nacional (formerly Centro Algodonero de Barcelona), Marché de Coton à Gand, and Federazione Nazionale Fascista degli Industriali Cotonieri (formerly Associazione Italiana Fascista degli Industriali Cotonieri), hereinafter known as the European Associations; and the Japan Cotton Merchants' Union, the Japan Cotton Spinners' Association, and the Osaka Sampin Exchange, hereinafter known as the Japanese Associations.

Witnesseth that whereas, the Department and the European Associations have entered into a certain Principal Agreement and a Supplemental Agreement known as Supplemental Agreement A (which said agreements, now in force and effect, were signed by the European Associations on various dates in June and July 1925, and by the Secretary of Agriculture on August 5, 1925), providing, among other things, for the adoption and use by the European Associations of the Universal Standards for American Cotton; for meetings to consider proposed changes or revisions of the said Universal Standards; and for meetings in Washington at regular intervals for the examination and approval of copies of the standards for use by the United States and by the European Associations; and

Whereas, it is desired that the Japanese Associations be permitted to participate in any future meetings to be held pursuant to the Principal Agreement for the purpose of considering changes in the Universal Standards for American Cotton and in the meetings under Supplemental Agreement A for the examination and approval of copies of said standards, and otherwise to participate in the proceedings provided for in said agreements, and

Whereas, the Japanese Associations agree to make the said Universal Standards the basis of all their contracts in which grades are specified for the purchase and sale of American Cotton:

Now, therefore, in consideration of the mutual advantages to be derived herefrom, the Department, the European Associations, and the Japanese Associations do covenant and agree:

(1) That hereafter the Japanese Associations may each send representatives to participate in any meeting held pursuant to said agreements.

(2) That in any meeting for which provision is made in said Principal Agreement the total number of votes shall be 120, which shall be distributed as follows: 50 votes to be cast by the representatives of the European Associations, according to such apportionment as they may themselves have agreed upon, 10 votes to be cast by the representatives of the Japanese Associations according to such apportionment as they may have agreed upon, and 60 votes to be cast by the United States; and if in any such meeting any proposed change or revision of the standards shall receive the approval of not less than 75 percent of the votes, the Department agrees that it will at once make such change or revision, which shall be effective not less than 12 months thereafter, and shall give notice at once of such change or revision and its effective date to all the associations which have adopted such standards, whether represented at such meeting or not.

(3) That in meetings under Supplemental Agreement A each Japanese Association may be represented by one or two persons who shall be experts qualified in the classification of American upland cotton, but the expenses for rail and ocean transportation for which reimbursement will be made by the Department will be limited to those of one expert from Japan, who may represent one or more of the Japanese Associations as authorized by them.

(4) That in such meetings under Supplemental Agreement A each European Association participating shall have one vote, the Japanese Associations participating shall have one vote among them, and the United States shall have the same number of votes as the total number of votes cast by all associations, and three-fourths of all votes cast shall be required for any action.

<sup>5</sup> Signed on various dates by officials of the organizations concerned, and thereafter by the Secretary of Agriculture on January 31, 1939.



(5) That the Department and the respective Associations hereby take notice of existing arrangements for the handling by appropriate committees of the Liverpool Cotton Association of arbitrations and arbitration appeals involving the quality of American cotton sold to purchasers in Japan. Should any Japanese Association wish to establish a Board of Cotton Examiners to be constituted as provided in the Principal Agreement, it is understood that its proposed rules to govern arbitrations and appeals would be submitted to the Department for approval.

(6) That upon approval of this agreement by the Secretary of Agriculture and by the European Associations and the Japanese Associations, the Japanese Associations shall become parties to said Principal Agreement and Supplemental Agreement A as hereby modified.

The provisions of this agreement shall cease to be operative upon the termination of said Principal Agreement and Supplemental Agreement A.

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### STANDARDS FOR SEA-ISLAND COTTON

Grade standards for sea-island cotton were first promulgated on August 25, 1918, but these standards were discontinued by an order signed by the Secretary of Agriculture on January 22, 1925. Owing to ravages of the boll weevil sea-island cotton had virtually disappeared from the American crop and there was no longer any demand for copies of the standards and no cotton available with which to make such copies.

In 1938, however, the sea-island crop had revived to some extent in the States of Georgia and Florida and various persons interested in cotton of this variety had requested the Department again to establish sea-island standards. New grade boxes in tentative form were approved by representatives of growers, manufacturers, and merchants at a meeting in Washington on July 30, 1938, and on August 10, 1938, the Secretary promulgated new standards. The order of promulgation was worded as follows:

#### PUBLIC NOTICE ESTABLISHING OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR THE GRADE OF SEA-ISLAND COTTON EFFECTIVE AUGUST 10, 1939

Pursuant to authority vested in the Secretary of Agriculture by the United States Cotton Standards Act of March 4, 1923 (U. S. C., title 7, secs. 51-65), I, H. A. Wallace, Secretary of Agriculture, do hereby establish, promulgate, and give public notice of standards for grades of sea-island cotton, effective August 10, 1939, as follows:

For the purposes of these standards:

Grade No. 1 shall be sea-island cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original official cotton standards of the United States, sea-island, Grade No. 1, effective August 10, 1939."

Grade No. 2 shall be sea-island cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original official cotton standards of the United States, sea-island, Grade No. 2, effective August 10, 1939."

Grade No. 3 shall be sea-island cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original official cotton standards of the United States, sea-island, Grade No. 3, effective August 10, 1939."

Grade No. 4 shall be sea-island cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original official cotton standards of the United States, sea-island, Grade No. 4, effective August 10, 1939."

Grade No. 5 shall be sea-island cotton which in grade is within the range represented by a set of samples in the custody of the United States Department



of Agriculture in the District of Columbia in a container marked "Original official cotton standards of the United States, sea-island, Grade No. 5, effective August 10, 1939."

Grade No. 6 shall be sea-island cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original official cotton standards of the United States, sea-island, Grade No. 6, effective August 10, 1939."

Intermediate grades: Sea-island cotton which in grade is between any two adjoining grades shall be designated by the word "Grade" and the grade number of the higher of such two grades, followed by the fraction " $\frac{1}{2}$ ."

Below Grade No. 6: Sea-island cotton which in grade is inferior to Grade No. 6 shall be designated "Below Grade No. 6."

Extraneous matter: The grade assigned to sea-island cotton which contains appreciable quantities of seed, seed kernels, or sand shall be that which most nearly approximates its grade value in terms of the respective grades herein defined.

Until their effective date, August 10, 1939, the foregoing standards may be used as permissive standards in the purchase and sale of sea-island cotton.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington this 10th day of August 1938.



*H. A. Wallace*

*Secretary of Agriculture.*

On the same date, August 10, 1938, the regulations under the United States Cotton Standards Act were amended to authorize the public distribution of official staple length types representing sea-island cotton of the lengths  $1\frac{1}{2}$ ,  $1\frac{9}{16}$ ,  $1\frac{5}{8}$ , and  $1\frac{3}{4}$  inches, and the original public notice establishing official cotton standards of the United States for length of staple was amended in such a way as to establish in physical form original representations of official cotton standards for these lengths of staple of sea-island cotton. See page 17.

### STANDARDS FOR AMERICAN-EGYPTIAN COTTON

On March 19, 1940, revised grade standards for American-Egyptian Pima cotton and new grade standards for American-Egyptian SxP cotton were promulgated effective March 20, 1941. These standards superseded the grade standards as promulgated for American-Egyptian cotton in 1929 and revised in 1930. They were first approved by representatives of interested organizations in the industry at a meeting in Washington on March 4, 1940.

Grade characteristics of American-Egyptian cotton have changed considerably in recent years and the SxP crop has increased to the point where it constitutes a substantial part of the American-Egyptian production. SxP cotton was developed a number of years ago from seed of the Sakellaridis variety imported from Egypt and crossed with plants of the Pima variety. Although comparatively new, SxP seems to compare favorably with imported Egyptian varieties.

The order of promulgation as issued on March 19, 1940, is quoted below:

#### PUBLIC NOTICE ESTABLISHING OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR THE GRADE OF AMERICAN-EGYPTIAN COTTON

By virtue of the authority vested in the Secretary of Agriculture by section 9 of the United States Cotton Futures Act of August 11, 1916, as amended March 4, 1919; May 31, 1920, and February 26, 1927 (39 Stat. 476, 40 Stat. 1351, 41 Stat. 725, 44 Stat. 1248; 26 U. S. C. 1090-1106); and by section 6 of the United States Cotton Standards Act of March 4, 1923 (42 Stat. 1517; 7 U. S. C. 51-65), I, H. A. Wallace, Secretary of Agriculture do hereby establish, promulgate, and give public notice of standards for grades of cotton of varieties known as American-Egyptian, effective March 20, 1941, as hereinafter set forth. Said standards shall thereupon supersede and replace the present standards for the



grades of American-Egyptian cotton which were promulgated by the Secretary of Agriculture on April 10, 1929.

For the purposes of these standards:

#### AMERICAN-EGYPTIAN PIMA COTTON

**27.251 Grade No. 1.**—Grade No. 1 shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 1, effective March 20, 1941."

**27.252 Grade No. 1½.**—Grade No. 1½ shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 1½, effective March 20, 1941."

**27.253 Grade No. 2.**—Grade No. 2 shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 2, effective March 20, 1941."

**27.254 Grade No. 2½.**—Grade No. 2½ shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 2½, effective March 20, 1941."

**27.255 Grade No. 3.**—Grade No. 3 shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 3, effective March 20, 1941."

**27.256 Grade No. 3½.**—Grade No. 3½ shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 3½, effective March 20, 1941."

**27.257 Grade No. 4.**—Grade No. 4 shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 4, effective March 20, 1941."

**27.258 Grade No. 4½.**—Grade No. 4½ shall be American-Egyptian Pima cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 4½, effective March 20, 1941."

**27.259 Grade No. 5.**—Grade No. 5 shall be American-Egyptian Pima Cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian Pima, Grade No. 5, effective March 20, 1941."

**27.260 Below Grade No. 5.**—American-Egyptian Pima cotton which in grade is inferior to grade No. 5 shall be designated as "Pima Below Grade No. 5."

#### AMERICAN-EGYPTIAN SxP COTTON

**27.286 Grade No. 1.**—Grade No. 1 shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 1, effective March 20, 1941."



**27.287 Grade No. 1½.**—Grade No. 1½ shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 1½, effective March 20, 1941."

**27.288 Grade No. 2.**—Grade No. 2 shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 2, effective March 20, 1941."

**27.289 Grade No. 2½.**—Grade No. 2½ shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 2½, effective March 20, 1941."

**27.290 Grade No. 3.**—Grade No. 3 shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 3, effective March 20, 1941."

**27.291 Grade No. 3½.**—Grade No. 3½ shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 3½, effective March 20, 1941."

**27.292 Grade No. 4.**—Grade No. 4 shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 4, effective March 20, 1941."

**27.293 Grade No. 4½.**—Grade No. 4½ shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 4½, effective March 20, 1941."

**27.294 Grade No. 5.**—Grade No. 5 shall be American-Egyptian SxP cotton which in grade is within the range represented by a set of samples in the custody of the United States Department of Agriculture in the District of Columbia in a container marked "Original Official Cotton Standards of the United States, American-Egyptian SxP, Grade No. 5, effective March 20, 1941."

**27.295 Below Grade No. 5.**—American-Egyptian SxP cotton which in grade is inferior to grade No. 5 shall be designated as "SxP Below Grade No. 5."

Until their effective date, March 20, 1941, the foregoing standards may be used as permissive standards in the purchase and sale of American-Egyptian cotton.

Done at Washington, D. C., this 19th day of March 1940. Witness my hand and the seal of the Department of Agriculture.



*H. Wallace*  
Secretary of Agriculture.

**NOTE.**—No change in the staple standards for American-Egyptian cotton was made at this time, it being understood that the original representations of the American-Egyptian staple lengths 1½, 1⅞, 1⅝, and 1¾ inches already established would remain in force and that in the future the best possible selections of bales of American-Egyptian cottons, whether Pima or SxP, would be made for the preparation of staple length types for these cottons.



## PUBLIC NOTICE ESTABLISHING STANDARDS FOR LENGTH OF STAPLE

DEPARTMENT OF AGRICULTURE,  
Washington.

Pursuant to the authority vested in the Secretary of Agriculture by section 9 of the United States cotton futures act approved August 11, 1916, 39 United States Statute at Large, page 476, I, David F. Houston, Secretary of Agriculture, do hereby establish, promulgate, and give public notice of, standards for length of staple of cotton, effective October 25, 1918, as follows:

## OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR LENGTH OF STAPLE

For the purposes of these standards:

SECTION 1. The length of staple of any cotton shall be the normal length by measurement, without regard to quality or value, of a typical portion of its fibers under a relative humidity of the atmosphere of 65 percent and a temperature of 70° F.

SEC. 2. The length of staple of any cotton shall be designated by that one of the following terms which expresses its measurement in inches or fractions of an inch in accordance with section 1 of this order:

Below  $\frac{3}{4}$ ;  $\frac{3}{4}$ ;  $\frac{13}{16}$ ;  $\frac{7}{8}$ ;  $\frac{15}{16}$ ; 1;  $1\frac{1}{32}$ ;  $1\frac{1}{16}$ ;  $1\frac{3}{32}$ ;  $1\frac{1}{8}$ ;  $1\frac{5}{32}$ ;  $1\frac{3}{16}$ ;  $1\frac{7}{32}$ ;  $1\frac{1}{4}$ ;  $1\frac{9}{32}$ ;  $1\frac{5}{16}$ ;  $1\frac{11}{32}$ ;  $1\frac{3}{8}$ ;  $1\frac{13}{32}$ ;  $1\frac{7}{16}$ ;  $1\frac{15}{32}$ ;  $1\frac{1}{2}$ ;  $1\frac{17}{32}$ ;  $1\frac{9}{16}$ ;  $1\frac{19}{32}$ ;  $1\frac{5}{8}$ ;  $1\frac{21}{32}$ ;  $1\frac{11}{16}$ ;  $1\frac{23}{32}$ ;  $1\frac{3}{4}$ ; and upward in like manner in gradations of thirty-seconds, disregarding any fraction less than a thirty-second.

SEC. 3. The lengths of staple designated as  $\frac{3}{4}$ ,  $\frac{7}{8}$ , 1,  $1\frac{1}{16}$ ,  $1\frac{1}{8}$ ,  $1\frac{3}{16}$ ,  $1\frac{1}{4}$ ,  $1\frac{5}{16}$ ,  $1\frac{3}{8}$ ,  $1\frac{1}{2}$ ,  $1\frac{5}{8}$ , and  $1\frac{3}{4}$  inches, respectively, are each represented by a sample in the custody of the United States Department of Agriculture in a container marked "Original official cotton standards of the United States, length of staple" followed by the appropriate designation of such length of staple.

SEC. 4. Cotton which is more than three-fourths of an inch in length of staple, but is not exactly one of the measurements specified in section 2 of this order, shall be designated by that one of such measurements which comes nearest under its true measurement.

SEC. 5. Whenever the length of staple of cotton taken from one part of a bale is different from that taken from another part of the same bale, the length of staple of the cotton in such bale shall be that of the part which is the shorter.

In testimony whereof, I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed, in the District of Columbia, this 25th day of October 1918.



D. F. HOUSTON,  
Secretary.

NOTE.—Sections 2 and 3 of the foregoing order have been revised from time to time. As now in effect (July 1942) section 2 reads as follows:

SEC. 2. The length of staple of any cotton shall be designated by that one of the following terms which expresses its measurement in inches or fractions of an inch in accordance with section 1 of this order:

Below  $\frac{3}{4}$ ;  $\frac{3}{4}$ ;  $\frac{13}{16}$ ;  $\frac{7}{8}$ ;  $\frac{29}{32}$ ;  $\frac{15}{16}$ ;  $\frac{31}{32}$ ; 1;  $1\frac{1}{32}$ ;  $1\frac{1}{16}$ ;  $1\frac{3}{32}$ ;  $1\frac{1}{8}$ ;  $1\frac{5}{32}$ ;  $1\frac{3}{16}$ ;  $1\frac{7}{32}$ ;  $1\frac{1}{4}$ ;  $1\frac{9}{32}$ ;  $1\frac{5}{16}$ ;  $1\frac{11}{32}$ ;  $1\frac{3}{8}$ ;  $1\frac{13}{32}$ ;  $1\frac{7}{16}$ ;  $1\frac{15}{32}$ ;  $1\frac{1}{2}$ ;  $1\frac{17}{32}$ ;  $1\frac{9}{16}$ ;  $1\frac{19}{32}$ ;  $1\frac{5}{8}$ ;  $1\frac{21}{32}$ ;  $1\frac{11}{16}$ ;  $1\frac{23}{32}$ ;  $1\frac{3}{4}$ ; and upward in like manner in gradations of thirty-seconds, disregarding any fraction less than a thirty-second.

By an order signed by the Secretary of Agriculture on August 10, 1938, effective August 10, 1939, section 3 was amended to read as follows:

SEC. 3. The lengths of staple designated as  $\frac{3}{4}$ ,  $\frac{7}{8}$ ,  $\frac{15}{16}$ , 1,  $1\frac{1}{32}$ ,  $1\frac{1}{16}$ ,  $1\frac{3}{32}$ ,  $1\frac{1}{8}$ ,  $1\frac{5}{32}$ ,  $1\frac{3}{16}$ ,  $1\frac{7}{32}$ ,  $1\frac{1}{4}$ ,  $1\frac{9}{32}$ ,  $1\frac{5}{16}$ ,  $1\frac{11}{32}$ ,  $1\frac{3}{8}$ , and  $1\frac{1}{2}$  inches, respectively, are each represented by a quantity of American upland cotton suitably contained and marked "Original representation of official cotton standards of the United States (American Upland) Length of Staple," followed in each instance by the appropriate designation of staple length and the effective date, August 1, 1929; each of the lengths of staple designated as  $\frac{13}{16}$ ,  $\frac{29}{32}$ , and  $\frac{31}{32}$  inches by a quantity of American Upland cotton similarly marked and followed in each instance by the appropriate designation of staple length and the effective date, August 1, 1933; and each of the lengths of staple designated as  $1\frac{1}{2}$ ,  $1\frac{9}{16}$ ,  $1\frac{5}{8}$ , and  $1\frac{3}{4}$  inches by a



quantity of American-Egyptian cotton suitably contained and marked "Original representation of official cotton standards of the United States (American-Egyptian) Length of Staple," followed in each instance by the appropriate designation of staple length and the effective date, August 1, 1929; and by a quantity of sea-island cotton suitably contained and marked "Original Representation of official cotton standards of the United States (sea-island) Length of Staple," followed in each instance by the appropriate designation of staple length and the effective date, August 10, 1939. Said quantities of cotton are to be kept in the custody of the United States Department of Agriculture.

#### PREPARATION OF STANDARDS FOR LONG-STAPLE COTTON— PERMISSIVE USE IN DETERMINING GRADE

From time to time members of the cotton industry concerned with the handling of long-staple cotton have contended that the universal standards for the grade of American upland cotton, which are manufactured from cotton of the shorter staples, do not possess color characteristics that satisfactorily match a considerable part of the long-staple production, particularly that in the Mississippi Valley territory. Early in May 1939, letters were addressed to various interested organizations in which it was stated that in an effort to deal with this color problem, cotton standardization specialists of the United States Department of Agriculture were preparing boxes for Strict Middling B, Middling B, and Strict Low Middling B preparation, in which the preparation factor would remain the same as in the tentative standards for the preparation of long-staple cotton established in 1929, but in which the color of the cotton used for these grades would match the long-staple cotton of recent crops. These organizations were invited to send representatives to meet in Washington on the morning of May 22, 1939, to examine the new boxes.

Fifteen organizations of manufacturers, merchants, and producers were represented. Although there were some differences of opinion among the manufacturers' representatives, there was general agreement on the new boxes as slightly modified. Early in June 1939 the organizations concerned were advised that in order to facilitate the use of the universal standards in the classification of long-staple cotton the following procedure was authorized:

(1) Boxes prepared by the cotton standardization staff to represent preparation of long-staple cotton of the grades Strict Middling, Middling, and Strict Low Middling will be issued and labeled as heretofore.

(2) Such boxes will match the tentative preparation standards for B preparation as now in use.

(3) Although such boxes will officially represent only the present tentative standards for B preparation and will be labeled as preparation boxes, the standardization staff in preparing them will match as closely as possible the color and leaf (as well as the preparation) in all boxes of each grade. The cotton used will be cotton which the Appeal Board considers Strict Middling, Middling, and Strict Low Middling (white or extra white) according to the Universal Standards. The leaf in the B preparation boxes will match the leaf in samples 1 to 6 inclusive in the Universal Standards boxes for Strict Middling, Middling, and Strict Low Middling, respectively.

(4) It will be understood that the Service regards it as permissible for members of the industry, purely on a permissive basis, to buy and sell long-staple cotton according to the color, or according to both the color and leaf, as well as the preparation, represented by such boxes. Boards of Cotton Examiners may determine in connection with the services under the Cotton Standards Act whether particular samples referred to them by the industry are equal to any such box (for a specified grade) with respect to preparation, and color, and/or leaf, as may be indicated by the person requesting the service.

It was pointed out that although the color and leaf in the B boxes were believed to represent the bulk of the long-staple cotton of these three grades as now produced, there is no doubt a certain quantity of such cotton that may not match the grade boxes in color but that in any event could properly be sold merely by reference to its grade according to the official standards. It was also stated that in any case where long-staple cotton is submitted to a board of cotton examiners for grading without any information that it has been described according to the B preparation boxes, the board will merely class it in conformity with the usual practice and certificate it as of the grade assigned according to the Universal Standards, without making separate comparisons with the preparation boxes.



## SYMBOLS FOR GRADE DESIGNATIONS FOR AMERICAN UPLAND COTTON

In the interest of uniformity in recording and certificating grade determinations the symbols listed below have been adopted by the Cotton Branch of the Agricultural Marketing Administration to denote the grades of the official cotton standards of the United States for American upland cotton, otherwise known as the Universal Standards. Holders of cotton classers' licenses and others are encouraged to use these symbols in all cases where grade designations are given in abbreviated form.

<i>Grade Designations</i>	<i>Symbols</i>
White Cotton:	
Middling Fair-----	MF
Strict Good Middling-----	SGM
Good Middling-----	GM
Strict Middling-----	SM
Middling-----	M
Strict Low Middling-----	SLM
Low Middling-----	LM
Strict Good Ordinary-----	SGO
Good Ordinary-----	GO
Extra White Cotton:	
Good Middling-----	GM EW
Strict Middling-----	SM EW
Middling-----	M EW
Strict Low Middling-----	SLM EW
Low Middling-----	LM EW
Strict Good Ordinary-----	SGO EW
Good Ordinary-----	GO EW
Spotted Cotton:	
Good Middling-----	GM Sp.
Strict Middling-----	SM Sp.
Middling-----	M Sp.
Strict Low Middling-----	SLM Sp.
Low Middling-----	LM Sp.
Tinged Cotton:	
Good Middling-----	GM Tg.
Strict Middling-----	SM Tg.
Middling-----	M Tg.
Strict Low Middling-----	SLM Tg.
Low Middling-----	LM Tg.
Yellow Stained Cotton:	
Good Middling-----	GM Y.S.
Strict Middling-----	SM Y.S.
Middling-----	M Y.S.
Gray Cotton:	
Good Middling-----	GM G
Strict Middling-----	SM G
Middling-----	M G
Below Grade Cotton-----	BG

## SOME REASONS FOR VARIATIONS IN THE CLASSIFICATION OF COTTON

In the classification of cotton, whether by classers in private employment or those employed in the Department, individual judgment or the human element plays a large part. This is due to the nature of cotton fibers in the mass and to the fact that the classing process involves determinations of the various quality elements on the basis of the appearance of the sample rather than according to precise measurement. In the grading of any product where the interpretation and application of standards depend primarily on the personal judgment of the grader, at least some variations resulting from differences of opinion may be expected. That this is recognized by the cotton trade and by the Department is evidenced by the fact that arbitration boards and appeal boards are maintained to review or arbitrate such differences in quality determinations as occur from time to time.



Variations in successive determinations of the grade and staple length of the same cotton may occur for a number of reasons. Some of the causes for variations are:

1. The lack of means for precise measurements in day-to-day classing work.
2. Original and redrawn samples taken from the same bale may not be of the same quality.
3. Samples may be too small to properly represent all of the quality elements.
4. The representativeness of samples may have been impaired by excessive handling.
5. Samples may be improperly identified and for this reason the grade and staple assigned to the individual sample may not apply to the bale which the sample purports to represent, even though the sample itself is classed correctly.
6. An error in recording may result in assigning to a sample a grade or a staple length other than that determined by the classer.
7. Variations in light and atmospheric conditions under which samples are classed may be reflected to some extent in classing results.
8. The experience and judgment of competent classers vary to some extent and the judgment of the individual classer may vary slightly from day to day.

The leaf and other foreign matter in a sample of cotton is not removed, measured, and expressed in terms of percentage of the entire sample, nor are the factors of color and preparation expressed in terms of physical measurements made by the classer. Moreover, the fibers that make up the pull or "typical portion" on which the length is determined are not all of the same length, and the fibers are not ordinarily measured in the stapling process. In fact, except in fiber laboratories, none of the quality elements is determined by precise measurement as is done in grading some other agricultural products.

Two samples drawn from the same bale may not be identical in all of the quality elements. The quantity of foreign matter, the color, the preparation (smoothness of ginning), and the length of staple may vary throughout the bale; consequently, two classers or an individual classer in classing different samples from the same bale may assign two different grade or staple length designations, both of which may be correct in terms of the standards based on the samples classed.

In the process of grading cotton the classer examines several layers of the sample to ascertain the quantity and distribution of leaf and other foreign matter, the color, and the preparation. He "faces up" the sample at a typical "break" and holds it alongside the grade box that he thinks it most nearly matches to ascertain to what extent the sample and the grade box are in agreement with respect to the three grade factors. More particularly, in determining the grade the classer must estimate the size and quantity of leaf and other foreign matter in the sample and decide which of the grade standards it most nearly matches in foreign matter; he must determine the color group into which the sample falls (Extra White, White, Spotted, Tinged, Yellow Stained, or Gray) and its position within the grade scale with respect to color; and he must also appraise the factor of preparation or smoothness of ginning in terms of the standards.

The sample may not match any one standard in all three factors of grade and here, relying upon his experience and knowledge of the official standards and the principles governing their use, he must average in his mind all the factors of color, leaf, and preparation and assign to the sample the grade designation which most nearly corresponds to its grade value. Brightness in color may compensate within certain limits for an excess of leaf and other foreign matter, and vice versa, and good color and cleanliness may be offset to some degree against rough ginning, or smooth preparation against dull color or a slight excess of leafiness. If the parts of the sample taken from the two sides of the bale are not alike the grade designation must be that of the average of the grade factors represented by the lower side.

Lighting arrangements and other conditions under which samples are classed play an important part in all classing work and, of course, the representativeness and adequacy of the samples as well as the qualifications and physical condition of the classer are also important considerations.

Although grade determinations cannot be invariably duplicated, studies of comparative classification data for grade have shown that in ordinary classing work and under comparable conditions a competent classer can duplicate his



grade determinations on the same samples with a high degree of uniformity. In fact, the consistency attained by competent classers is surprising in view of the many possible combinations of leaf, color, and preparation and in view of the fact that the classer has no way of actually measuring these factors in applying his judgment to the grading of samples according to the official standards.

The foregoing comments regarding grade determinations relate particularly to the grading of American upland cotton. To a considerable extent, however, they apply to the determination of the grade of American-Egyptian and sea-island cottons, for which separate standards have been promulgated.

In classing cotton for length of staple the classer makes what is known as a "pull." In other words, he pulls a tuft of fibers from the sample and by a process of lapping, pulling, and discarding, parallels a typical portion of the fibers. He then arrives at the length to be assigned to the sample by judging the length of the pull with the eye. It is seldom practicable for the classer actually to measure the length of the pull by the use of a ruler. Ordinarily he compares his pull from the sample with his pull from the official staple length type to which he thinks the length of staple of the sample most nearly corresponds. Thus the classer's judgment is aided by comparisons of pulls in a manner somewhat approaching physical measurement.

If a sample of cotton that a classer has designated as 1 inch in staple length is sorted into segments according to the actually measured length of the individual fibers it will be found that some of the fibers are longer than 1 inch, that a considerable number are shorter than 1 inch, and that some fibers are even as short as  $\frac{1}{8}$  of an inch or less. Experience has shown that the length assigned to a sample of cotton by an experienced classer ordinarily approximates the actual length by measurement of the largest (by weight) length group in the sample. The classer must take pulls from each sample and decide what length should be assigned to the typical portion of the fibers represented by his pulls. Two classers might not get exactly the same distribution of fibers in the tufts which form their pulls and it is easily possible for the two designations assigned to a given sample by two different classers to differ slightly as to length and for both classers to be correct in their judgments as to the staple length of the cotton based on the pull or tuft that each has taken from the sample.

The regulations under the Cotton Standards Act and Cotton Futures Act require, in effect, that if cotton be reduced in value by reason of the presence of irregularities or defects below its apparent grade or staple length, both the classification officially assigned and the classification from which reduced and the reason for the reduction be determined and stated; for example, "Middling  $1\frac{5}{16}$ ", reduced from Strict Middling 1" a/c rough preparation and wastiness." Thus, in determining length of staple the classer is in some instances required to "reduce" the length he would otherwise designate as the staple length because of the wastiness or other defects of character found in the sample.

Variations in humidity have some effect on the apparent length of cotton fibers. If a sample is first classed under conditions of very low or very high humidity it is to be expected that a second classification under widely different conditions will result in the assignment of a staple length slightly greater or slightly less than that first assigned. Insofar as possible, samples and types to be compared with them should be conditioned in the same room for several hours before classification.

The staple length of cotton cannot be precisely determined by exact measurement and the variabilities which affect the cotton classer's determinations of length are such that unfailing duplication of results in repeated classifications of the same cotton cannot be expected. In spite of these variabilities, however, a competent classer can generally duplicate his results on the same samples with a reasonable degree of consistency.

It will be apparent from what is said above that some variations in grade and staple determinations must be expected, in view of the extent to which human judgment enters into all cotton classing work; the number of factors to be evaluated; the lack of any means of exact measurement (except in the fiber laboratory); the influence of differences in humidity, light, and other classing conditions; and the variations of quality within samples themselves. The Department has long recognized this fact and for a number of years has been systematically devising methods to better coordinate its own classing work and reduce variations to a minimum. The daily use of the official standards, improvement of cotton classing rooms and equipment, studies of classing



results, and close supervision of classing activities for which the Department is responsible are being particularly stressed.

### PUBLIC COTTON CLASSING SERVICES

Cotton classing services have for a number of years been available to the public, as follows:

*Form A, under the Cotton Standards Act.*—This is an informal classification or comparison of samples submitted for the purpose and is not subject to review. The fee is 25 cents per sample if both grade and staple length are involved, or 15 cents per sample for the determination of grade or staple length alone. The service is given at more than 20 important cotton centers in the South and at the headquarters of the Appeal Board of Review Examiners in the Agricultural Marketing Administration, Washington, D. C.

*Form B, under the Cotton Standards Act.*—This is in effect an arbitration service, and involves the formal classification or comparison of samples submitted by mutual agreement of two or more parties to a dispute. It is given either by the Appeal Board of Review Examiners in Washington or by designated offices in the field. If given by a board of cotton examiners in the field a Form B determination is subject to review by the Appeal Board. The fee is 25 cents per sample for the determination of both grade and staple length, or 15 cents per sample for grade or staple length alone. The review fee is 30 cents per sample where both grade and staple length are involved, or 20 cents per sample for a single factor.

(In connection with the work under the Cotton Standards Act other types of classing service are given for particular purposes, and large quantities of cotton are classed to facilitate the operations of the Commodity Credit Corporation and other Federal agencies. More than 2,000 cotton classers in private employment have held licenses under the acts in the past and those with current licenses are located at numerous points throughout the South and in manufacturing centers. Many of them have given public classing services on a fee basis.)

*Classing Cotton for Delivery on Futures Contracts.*—Under present by-laws and rules, deliveries on the cotton futures contracts of the New York Cotton Exchange may occur in New York or at Norfolk, Charleston, Savannah, Mobile, New Orleans, Houston, and Galveston; on the futures contracts of the New Orleans Cotton Exchange, at New Orleans, Houston, and Galveston; and on contracts of the Chicago Board of Trade, at Houston and Galveston. At most of these points, boards of cotton examiners are stationed to furnish the classing services required by the Cotton Futures Act. The fee for original classification is 25 cents per bale and the review fee is 30 cents per bale.

*Other Cotton Classing Activities.*—As already indicated, under specific legislation large quantities of cotton are classed without charge for members of organized cotton improvement groups. In addition, a heavy volume of classing work is done in determining the quality of the cotton crop each year and of the annual cotton carry-over.

*Supervision of Classing Services.*—All classing work in the field is coordinated by the Board of Supervising Cotton Examiners at Memphis, Tenn. This board and regional supervisors working under its direction class many thousands of supervision samples each season.

Detailed information concerning any of the cotton classing services and similar services available to producers and handlers of American cotton linters may be obtained by addressing the Cotton Branch, Agricultural Marketing Administration, Washington, D. C.

### CHANGES IN CONTRACTS FOR FUTURE DELIVERY

As to new contracts providing for future delivery on and after October 2, 1939, the bylaws and rules of the New York Cotton Exchange were amended on August 7, 1939, effective August 15, 1939, in a number of particulars affecting the work under the Cotton Futures Act. These amendments were in substance as follows:

(1) The basis quality was changed to Middling  $1\frac{5}{16}$ -inch cotton and it was provided that a premium shall be allowed for each bale having a staple of  $3\frac{1}{32}$  inch and for each bale having a staple of 1 inch which shall be, respectively, 75 percent of the average premium for like staples over  $1\frac{5}{16}$  inch; that cotton of staple in excess of 1 inch shall receive the same premium as 1-inch



cotton; and that a deduction shall be made for each bale having a staple of  $\frac{29}{32}$  inch and for each bale having a staple of  $\frac{7}{8}$  inch, which shall be the full discount for like staples under  $\frac{15}{16}$  inch. The pertinent language is quoted below under "Staple Differences."

(2) The grades for White cotton Middling Fair to Low Middling, inclusive, those for Extra White cotton, Good Middling to Low Middling, inclusive, and the grades Good Middling Spotted and Strict Middling Spotted shall be tenderable. But Middling Spotted shall be tenderable only when and if the Secretary of Agriculture establishes a physical standard for this grade.

(3) Non-rain-grown cotton shall be tenderable only if Middling and above (White and Extra White) and if  $1\frac{1}{32}$  inches and longer in staple.

(4) Cotton remaining under certification for a period exceeding 10 months shall carry a penalty of 15 cents per bale per month beginning with the eleventh month, and the deliverer shall make such allowance for each calendar month period or fraction thereof.

(5) Cotton reduced in grade for preparation or in staple for character or reduced for any other reason shall not be tenderable.

Thus the quality deliverable on cotton futures contracts at the contract price became Middling  $\frac{15}{16}$  inch instead of Middling  $\frac{7}{8}$  inch;  $\frac{29}{32}$ -inch cotton may be delivered at full value for that length;  $\frac{31}{32}$ -inch cotton as well as 1-inch cotton is deliverable at a premium; the number of deliverable grades was reduced from 20 to 14; and in addition to the lower grades which were excluded from delivery on the new contract, other qualities of cotton reduced in the classing process on account of grade or staple defects are now untenderable even though the grade and length of staple to which reduced would otherwise be tenderable. The grades which were tenderable on the old contract but which were excluded from delivery on the new contract are Middling Spotted, Good Middling Tinged, Strict Middling Tinged, Good Middling Yellow Stained, Good Middling Gray, and Strict Middling Gray. Cotton which is Middling Spotted in grade and at least  $\frac{7}{8}$  of an inch in staple would be deliverable on the new contract if the Department should establish a standard for this grade in physical form, but as no such physical standard has been established, Middling Spotted cotton is now untenderable.

Amendments adopted by the Chicago Board of Trade on November 6, 1939, effective as to new contracts entered into on and after November 7, 1939, providing for delivery in December 1939 and thereafter, were substantially the same as those provided for in the New York amendments except as to staple premiums and discounts. (See the language quoted below under "Staple Differences.")

Amendments adopted by the New Orleans Cotton Exchange on August 11, 1939, effective on "new form contracts" entered into on and after August 15, 1939, calling for delivery in October 1939 and thereafter were essentially the same as those provided for in the New York amendments referred to above except as to staple differences and except as to cotton reduced on account of grade or staple defects. As to cotton so reduced, the New Orleans Cotton Exchange adopted another amendment on December 8, 1939, effective December 1, 1940, providing, among other things, that cotton reduced in grade for preparation or in staple for character or reduced in value for any of various reasons shall not be tenderable. Thus cotton which otherwise was tenderable in grade and staple but which was reduced because of grade or staple defects continued to be tenderable on New Orleans contracts until December 1, 1940.

The following is the amended language adopted in New York, Chicago, and New Orleans with reference to staple premiums and discounts:

#### STAPLE DIFFERENCES

##### NEW YORK

"The notice price shall be the invoice price for Middling fifteen-sixteenths inch staple. Additions and deductions for other deliverable grades shall be made at the average of the differences quoted on the sixth business day prior to the day of the delivery for corresponding grades in the spot markets designated by the Secretary of Agriculture for the purpose of quoting grade differences in accordance with the United States Cotton Futures Act, amendments thereto and the regulations issued thereunder.

"An addition shall also be made for each bale having a staple of thirty-one thirty-seconds of an inch and for each bale having a staple of one inch, which



shall be respectively 75% of the average premium for like staple over fifteen-sixteenths of an inch staple quoted on the sixth business day prior to the day of delivery in such of the spot markets above referred to as do quote staple differences. Cotton of staple in excess of one inch shall receive the same premium as one-inch cotton. A deduction shall also be made for each bale having a staple of twenty-nine thirty-seconds of an inch and for each bale having a staple of seven-eighths of an inch, which shall be at the full discount for like staple under fifteen-sixteenths of an inch quoted on the sixth business day prior to the day of delivery in such of the spot markets above referred to as do quote staple differences."

(The averages of the staple premiums and discounts as quoted in the 10 designated spot cotton markets Augusta, Charleston, Dallas, Galveston, Houston, Little Rock, Memphis, Montgomery, New Orleans, and Savannah are used in future contract settlements in New York.)

#### CHICAGO

"Cotton having  $\frac{15}{16}$ -inch staple shall be contract cotton. Cotton having a length of  $\frac{31}{32}$  inch and one inch shall be deliverable at the full average premiums paid for like grade and staple, as quoted by the Houston and Galveston Cotton Exchanges on the day preceding the giving of notice of tender under Rule 548. Cotton having a staple in excess of one inch shall be deemed to have a one-inch staple under this Rule. Cotton having  $\frac{29}{32}$ -inch or  $\frac{7}{8}$ -inch staple shall be deliverable at the full average commercial discounts paid for like grade and staple, as quoted by the Houston and Galveston Cotton Exchanges on the day preceding the giving of notice of tender."

#### NEW ORLEANS

"SECTION 1. Staple cotton may be delivered on contract and allowed a premium as hereinafter provided.

"Cotton having a staple of twenty-nine thirty-seconds of an inch and/or a staple of seven-eighths of an inch shall be delivered at the full discount for like staples as quoted on the day before issuance of notice of delivery in such of the markets designated as bona fide spot markets by the United States Secretary of Agriculture under provisions of the United States Cotton Futures Act, as in the opinion of the Board of Directors shall have established an adequate system of quotations.

"SECTION 2. Cotton declared by the United States Board of Cotton Examiners as having a length of thirty-one thirty-seconds of an inch and one inch shall be delivered on contracts at 100 percent of the average premiums for like staples, as quoted on the day before issuance of notice of delivery, in such of the markets designated as bona fide spot markets by the United States Secretary of Agriculture under the provisions of the United States Cotton Futures Act, and which in the opinion of the Board of Directors shall have established an adequate system of quotations of thirty-one thirty-seconds of an inch and inch cotton. Any cotton having a staple in excess of one inch may be delivered on contracts, but shall not receive a higher premium under this rule than that of inch cotton."

(The averages of the staple premiums and discounts as quoted in Dallas, Galveston, Houston, Little Rock, Memphis, and New Orleans are used in futures contract settlements in New Orleans.)

Since August 25, 1939, the spot quotations in the 10 designated markets have been based on Middling  $\frac{15}{16}$ -inch cotton instead of Middling  $\frac{7}{8}$ -inch as theretofore.

Throughout most of the 1939-40 cotton season future trading in cotton was carried on in the three futures markets in both old and new contracts. The old contracts matured in July 1940.

In view of the amendments the boards of cotton examiners at delivery points were instructed to classify all cotton for delivery on futures contracts in steps of  $\frac{1}{32}$  of an inch instead of in steps of  $\frac{1}{16}$  of an inch as theretofore. Cotton certificated for delivery on futures contracts which had not previously been classed in steps of  $\frac{1}{32}$  of an inch was restapled as of September 30, 1939.

The penalty on certificated cotton remaining in the stocks for periods exceeding 10 months should be helpful in minimizing the difficulties which in the past have been occasioned by culled and remnant lots.



## CHARLESTON SUBSTITUTED FOR NORFOLK AS ONE OF THE 10 DESIGNATED MARKETS

By an order issued by the Secretary of Agriculture on August 5, 1941, effective August 6, 1941, Charleston, S. C., was substituted for Norfolk, Va., as one of the 10 designated spot cotton markets whose commercial differences for grades above and below Middling are used in settlements of cotton futures contracts on which actual deliveries are made. This was done for the reason that the Norfolk market was no longer in position to meet the requirements of the regulations under the Cotton Futures Act with reference to designated markets.

## CLASSING AND MARKET NEWS SERVICES FOR ORGANIZED COTTON- IMPROVEMENT GROUPS

On April 13, 1937, the President approved an act which provides for free cotton classing and market news services for groups of producers organized to promote the improvement of cotton. This legislation was considered a significant forward step in the improvement of the quality of the cotton crop.

For some years the Bureau of Plant Industry of the United States Department of Agriculture, in cooperation with State agencies, had sponsored one-variety communities in the Cotton Belt on a voluntary basis and many producers had participated. To a large extent, however, "hog-round" buying was still in vogue and many growers who sold high-quality cotton received only a small proportion of the premiums that such cotton would bring in central markets. This system left little incentive for producers of the better cottons. The cotton classing and market news services which have now been provided have placed organized producers of improved varieties in a better bargaining position, and the classification memoranda furnished to members of such groups are being widely used in actual purchases and sales and as evidences of the quality of the cotton for purposes of Commodity Credit Corporation loans.

Funds were first provided for the administration of this legislation in July 1938. During the 1938-39 cotton season 312 organized cotton-producer groups with a membership of 18,589 farmers having a cotton acreage of 511,006, applied for and received the services. An extraordinary increase in farmer participation throughout the South has occurred since 1938. During the 1941-42 cotton season 2,510 organized groups, with a membership of 282,484 farmers growing more than 8,000,000 acres of cotton, have participated.

The Act is quoted below :

### AN ACT

Authorizing the Secretary of Agriculture to provide for the classification of cotton, to furnish information on market supply, demand, location, condition, and market prices for cotton, and for other purposes.

[50 United States Statutes at Large, page 52]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton," approved March 3, 1927, is amended by inserting between sections 3 and 4 thereof the following new sections :

"SEC. 3a. The Secretary of Agriculture, upon request in writing from any group of producers organized to promote the improvement of cotton who comply with such regulations as he may prescribe, is authorized and directed to determine and to make promptly available to such producers, the classification, in accordance with the official cotton standards of the United States, of any cotton produced by them. The Secretary of Agriculture is further authorized to pay the transportation charges and to furnish tags and containers for the samples of cotton submitted for classification under this section, and all samples of cotton so classified shall become the property of the Government, and the proceeds of any sales thereof after classification shall be covered into the Treasury of the United States as miscellaneous receipts.

"SEC. 3b. The Secretary of Agriculture is also authorized and directed to collect, authenticate, publish, and distribute, by telegraph, radio, mail, or otherwise, timely information on the market supply, demand, location, condition, and market



prices for cotton, and to cause to be prepared regularly and distributed for posting at gins, in post offices, or in other public or conspicuous places in cotton-growing communities, information on prices for the various grades and staple lengths of cotton.

"SEC. 3c. The Secretary of Agriculture is further authorized to make such rules and regulations as he may deem necessary to effectuate the purposes of this Act."

Approved, April 13, 1937.

### COTTON-FIBER TESTING SERVICE

From time to time during the past several years the Department has received requests from cotton breeders in all sections of the Cotton Belt to make fiber and spinning tests on samples which they wished to submit. Until recently, however, it has not been possible to do this work because the staffs of the fiber and spinning laboratories have been taxed to the limit with the work of the Department's own cotton research and testing program. Nor was it possible for breeders to obtain satisfactory testing services elsewhere.

Frequently the work of many years was wasted through time and effort spent by breeders in developing new cottons only to find that when they were grown in commercial quantities, they did not possess the qualities desired by the mills. Moreover, farmers producing such cottons had received lower prices, and, what was even more serious, a reputation for poor quality had been established in some cotton-growing areas. In some instances large districts had been flooded with seed of untested strains and subsequent trials by mills had revealed that the quality of the lint was extremely poor.

The Agricultural Marketing Administration has developed scientific methods and technique in its laboratories which made it possible to make accurate and practical measurements of cotton quality in a reasonably short time through fiber and spinning tests. Such tests can be performed on samples of cotton as small as 5 pounds or even less in some instances—a quantity which can usually be furnished by a breeder after working only two seasons with a new cotton progeny.

A bill "to authorize the Secretary of Agriculture to make analyses of fiber properties, spinning tests, and other tests of the quality of cotton samples submitted to him" became a law on April 7, 1941. Regulations under this legislation were promulgated by the Secretary of Agriculture on August 25, 1941, and published in the Federal Register of August 27, 1941 (vol. 6, No. 167). The testing service is now available to cotton breeders and others and many tests have already been made. The cotton fiber testing act is quoted below:

#### AN ACT

To authorize the Secretary of Agriculture to make analyses of fiber properties, spinning tests, and other tests of the quality of cotton samples submitted to him.

[55 United States Statutes at Large, page 131.]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton," approved March 3, 1927, as amended, is amended by inserting after section 3c thereof a new section to read as follows:

"SEC. 3d. The Secretary of Agriculture is authorized to make analyses of fiber properties, spinning tests, and other tests of the quality of cotton samples submitted to him by cotton breeders and other persons, subject to such terms and conditions and to the payment by such cotton breeders and other persons of such fees as he may prescribe by regulations under this Act. The fees to be assessed hereunder shall be reasonable, and, as nearly as may be, to cover the cost of the service rendered."

Approved, April 7, 1941.

#### EXCERPT FROM THE ACT APPROVED JULY 22, 1942, MAKING APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE FOR THE FISCAL YEAR ENDING JUNE 30, 1943, AND FOR OTHER PURPOSES

To enable the Secretary of Agriculture to perform the duties imposed upon him by the United States Cotton Futures Act, as amended March 4, 1919 (26



U. S. C. 1090-1106), and to carry into effect the provisions of the United States Cotton Standards Act, approved March 4, 1923 (7 U. S. C. 51-65), including such means as may be necessary for effectuating agreements heretofore or hereafter made with cotton associations, cotton exchanges, and other cotton organizations in foreign countries, for the adoption, use, and observance of universal standards of cotton classification, for the arbitration or settlement of disputes with respect thereto, and for the preparation, distribution, inspection, and protection of the practical forms or copies thereof under such agreements. \* \* \*







